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C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 002126

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SUBJECT: HINDU RIGHT WINGER SAYS CLEAR-CUT NEPAL POLICY NEEDED TO PREVENT JUNE UPRISING IN KATHMANDU

REF: A. NEW DELHI 1921 ¶B. KATHMANDU 00856

Classified By: Acting PolCouns Atul Keshap for Reasons 1.4 (B,D)

- 11. (C) SUMMARY: Former Commerce, Law and Justice Minister, Dr. Subramanian Swamy, President of the Janata Party, gave DepPolCouns May 1 a read-out of his April 26 visit to Nepal. Swamy said he met one-on-one with the following:
- -- King Gyanendra
- -- Gyanendra's son Crown Prince Paras
- -- Prime Minister G.P. Koirala -- the Ambassadors of India, China and Israel
- -- Rashtriya Prajatantra (National Democratic) Party President Pashupati Rana
- -- former Prime Minister Tulsi Giri
- -- former Deputy Prime Minister Shailaja Acharya
- -- Pashupati Dayal Mishra, Chairman, Loktantrik Madhesi Morcha (Democratic Madhesi Front)
- -- Thakur Singh Tharu, Vice Chairman, Tharu Kalyan Karani

Swamy suggested that the Maoists were out to sabotage free and fair elections in Nepal, and warned that trouble could ensue as soon as June, when the Maoists might "bully" Nepali Congress into declaring Nepal a republic and postponing elections. This would incite Madhesis and the Nepali Army (NA), both of which he described as sympathetic to the monarchy, into action, he said. Swamy contended that the Government of India (GOI) needed to take an active role in ensuring that there were enough election observers to hold free and fair elections no later than November, that the monarch stayed in place and Nepal was not declared a republic, and that the "democratic parties" of Nepal worked together and maintained law and order. India's Rashtriya Swayamsevak Sangh (RSS) Hindu organization would be approaching the GOI on the issue soon, he stated, and he would suggest that the GOI convene a conference to clarify and strengthen its Nepal policy. Swamy doubted the United Progressive Alliance government would take needed steps due to the support it derives from the Left. END SUMMARY.

Declaring a Republic Could Bring Trouble in June

(C) In a May 1 read-out of Former Commerce, Law and Justice Minister and Janata Party President, Dr. Subramanian Swamy's April 26-27 visit to Nepal, Swamy told DepPolCouns that those he met with held a "near unanimous" view that the Maoists would seek to sabotage a free and fair election for fear of losing badly, while the Madhesis and Janajatis could make substantial gains. He opined that a "flash point" might come as early as June 2007, when the Maoists might "bully" the Nepali Interim Parliament into declaring Nepal a republic and postponing elections. (Note: Media reports quoted Maoist leader Prachanda as stating May 1, "If the legislature fails to declare Nepal a republican state, we will launch a total movement from the streets, cantonments, Parliament and the Government." End note.) This, he said, would be a double victory for the Maoists, eliminating elections and the monarchy in one fell swoop. Swamy also suggested that most Nepalis support a constitutional monarchy versus a republic, and said he felt that the King had gained in strength since April 2006, especially among ethnic minority Madhesis, Tharus and Janajatis, and among the Nepali armed forces. All of these groups would act, and trouble would ensue, if the Maoists were able to convince the Interim Parliament to declare Nepal a republic in June, he said. Swamy cited lawlessness and Maoist violence and extortion as causes for this newfound support of the monarch.

Swamy's Recipe for Success: Hold November Elections, Keep the Monarchy, and Unify the Democratic Parties

13. (C) Swamy made three suggestions, which he intended to bring to the attention of the GOI, including:

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- -- Ensuring there were enough election observers to hold a free and fair election by November, and not establishing a republic prior to Constituent Assembly elections
- -- Finding a place for the monarch, which he contended had the support of the minorities, the NA, as well as PM Koirala, whom he said preferred to retain the king as a "buffer" against the Maoists.
- -- Bringing the factious Congress Party and other "democratic" elements together with the Madhesis to form a stronger democratic base. Swamy maintained that the Maoists were banking on people's desire for law and order, and therefore, the democratic parties needed to pull together and begin maintaining peace.

India Needs a Clear, Well-stated Nepal Policy

14. (C) Swamy stated that the rightist, pro-monarchy Rashtriya Swayamsevak Sangh (RSS) Hindu organization would call a meeting to "define a policy" on Nepal, and that it planned to call upon the Indian Foreign Minister soon. Swamy emphasized that the GOI needed to have a "clear, well-stated Nepal policy" that spelled out objectives, priorities, strategy and a focus on "opinion mobilization." He planned to suggest that the GOI convene a conference for this purpose. Swamy suggested that the USG's "tough line" on Nepal had been working and should not change.

Gyanendra Invited Swamy

¶5. (C) Swamy asserted that he had visited Nepal at King Gyanendra's invitation, and noted that the King's now deceased brother Birendra (Note: A victim of the 2001 royal family massacre. End note) had been a student at Harvard when Swamy taught there in the 1960's. Swamy relayed that he asked the King point-blank if he were guilty of committing the 2001 royal massacre. King Gyanendra responded that he would have been convicted by now if he had been guilty,

claimed Swamy.

Chinese Won't Rock the Boat

 $\P6$. (C) The Chinese Ambassador said he had no contact with the Maoists, according to Swamy, who opined that the Chinese wouldn't "rock the boat" in Nepal because events are moving in their strategic favor.

India Not Likely to Change Its Current Course

- 17. (C) Comment: Post does not doubt that Swamy, in concert with rightist Hindu groups such as the RSS and VHP, will bring his agenda to the attention of the GOI. He has the contacts to do so, and met with Foreign Minister Mukherjee after meeting with DepPolCouns April 23 (see reftel a). Whether or not the GOI will take his advice is another matter. The current government is hypersensitive to the wishes of its Left partners, which are sympathetic to the Maoists, and is therefore not likely to intervene, nor change its course, on Nepal. End comment.
- $\underline{\ }$ 8. (U) We coordinated this message with Embassy Kathmandu. PYATT